

Export Outlook for DL&P Products

Revised Forecast for 2001:  \$200 Million to \$12.8 Billion

Initial Projection for 2002: Steady at \$12.8 Billion

Revised FY 2001 Forecast (since May)

Key Upside Developments

- Poultry and pork exports post solid gains
- Dairy product exports increase to Mexico
- Hides/skins exports strong to China & Korea

Key Downside Developments

- Strong dollar and increased competition slows beef sales to Japan
- BSE concerns hamper sales of some rendered products

Initial FY 2002 Projection

Key Upside Developments

- Beef exports to Japan rebound
- Poultry meat reaches record 3.2 mmt

Key Downside Developments

- High EU beef stocks pressure market
- Pork shipments down somewhat faced with strong EU/Canada competition

Wild Cards

- FMD & BSE concerns cause uncertainty & create potential opportunities/threats

Dairy, Livstk, Poultry Exports (\$Bil)

